Decline in Foreign exchange reserve

2270. SHRI CHATURANAN MISHRA; Will the Minister of FINANCE be pleased to state:

(a) whether \ᵣ *i* a ᵗ-aCt. that there has ᵇeen a decline iₙ the foreign exchange reserve in the recei t period; and

(•>) 'f so, the deiiii$_s$ thereof?

THE MINISTER OF STATE IN THE DEPARTMENT >F EXPENDITURE IN THE MINIST] y OF FINANCE (SHRI B. K. GAD IVI): (a) and (b) The position in regard ₜo movement., in the level ₀f foreign exchange reserves (excluding Gold and Special Drawing Rights) since 31st March, n86 is indicated below:

(Rs. in crores)

31st March, 1986 . . .	7384·35
31st July, 1986 . . .	6478·03
31st March, 1987 . . .	7645·17
31st July, 1987 . . .	6718·62

Loans to Intermitr. *nn*\ Amusements LM.

2271. SHRT CHATURANAN MISHRA: Will the Minister of FINANCE be pleased ^ state:

(a) whether it iₛ -., ;n.ₜ thaₜ on September 15, 1984, Inn matronal Amusements Ltd. was incorporat d with its ᵣₑgd. office at Charminar Baz r, Pragati Maidan, New Delhi with a share capital ₀f Rs. 70|-;

fb) jf so, the del tils and the names of its directors;

.(c) whether it iₛ ₐlsₒ a fact that on October 30, 1984 ₜ received a loan of Rs. 50 lakhs froₜ , the Canara Bank, Parliament Street, New Delhi;

(d) if so, the i'stalls ₀f the items against which loan vas sanctioned;

(e) whether any other loan was granted t<, the company and if so, the details thereof;

(f) whetheᵣ it is a facₜ that neitheᵣ the interest noᵣ any amount towards original loan have been paid; and

(g) if ₛo, whetheᵣ any steps are being taken against the Company for noₜ fulfilling the loan terms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) International Amusements Limited was incorporated on 15th September, 1984 with its registered office aₜ Charminar Complex, Pragati Maidan, New Delhi with an authorised capital of Rs. 1.50 ₑrores and with a subscribed capital of Rs. 70|-.

(b) The first directors of the company are Sarvashri Suresh Kumar Chawla, Vijay Chand Mankotia, Sharat Chandra Das, Narinder Kumar Malik and Gian Chand Viieshwar.

(c) to (g) The Canara Bank has reported that it has sanctioned financial assistance for this company. As per the statutes governing the public sector banks and the practices and usages customary among the bankers, information relating to or to the affairs of their individual constituents cannot be divulged.

Excise evasion by the Godrej

2272. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether a sum of Rs. 11.95 crores is due as Central excise on refrigerators manufactured and cleared by the Godrej and Boyce;

(b) if so, whaₜ are the details thereof;

(c) the methods adopted by the company for evading such huge amounts of Central excise duty; and

(d) the steps taken to recover the dues?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) and (b) A

show cause notice dated 9-7-1987 lias been issued by Collector of Central Excise, Bonibay-Il to M|s. Godrej & Boyce Manufacturing Co. pvt. Ltd., Bombay for evasion of duty to the tune of Rs. 11.95 crores approximately on refrigerators.

(c) The method adopted by the com pany for evading Central Excise Duty was by claiming deductions of trade dis counts from assessable valvte from their prices when in fact such discounts were conditionally re'fundable and thus not admissible. These trade discounts were given for purposes of meeting expenses on advertising and after sales services on be half of the company.

(d) The show cause notice is presen tly pending adjudication before Collector of Central Excise, Bombay-II. The ques tion of recovery of any dues on this ac count can arise only after the case is ad judicated.

Pressure for devaluation from IMF and World Bank

2273. !5HRI N. E. BALARAM: Will the Minititer of FINANCE be pleased to state:

(a) whether ;t is a (fact f"nat tner e is mounting pressure for devaluation from the World Bank and the International Monetary Fund (IMF); and

(b) if so, the details thereof and reaction of Government in regard thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRi B. K. GADHVI): (a) No, Sir.

(b) Does not arise.

Proceedings again^ Voltas for economic offences

2274. SHRI N. E. BALARAM: Will the Minister of FINANCE be pleased to state:

′ whether it is a 'fact that Government have launched legal proceedings ist Voltas, a company belonged to Tatas, for committing economic offences; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) and (•>) The Collector of Central Excise, Bombay have initiated legal proceedings against M|s. Voltas Ltd., Bombay (a unit belonging to Tata Group) for evasion of Central Excise duty to the tune of Rs- 775.12 lakhs 'for undervaluing the room ahconditioners being manufactured by this company.

Information relating to Central Board of Direct Taxes is being collected and will be laid on the Table of the House.

Major development projects

2275. SHRI N. E- BALARAM: Will the Minister Of PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether it is a fact that a number of major development projects approved by the Central Government for implementation during the Seventh plan have been found to cost much more than the original estimate due to delay in its implementation; and

(b) ff so, what are the details of these projects and reasons for delay in their implementation?

THE MINISTER OF STATE IN THE MINISTRY OF PROGRAMME IMPLEMENTATION (SHRI SUKH RAM); (a) and (b) According to the available information as on 31-3-1987 in respect of projects costing over Rs. 20 crores being monitored by this Ministry, six projects which were approved from 1-4-1985 to 31-3-1987 have reported time and cost over runs. Two projects are ;n coal, one in petroleum, two in fertiliser and °ne 'n power sectors. The main reasons for the delay include problems concerning acquisition of land, clearance from environmental angle, industrial relations, equipment!material supply delays etc.